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HOUSE OF REPRESENTATIVES

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February 6, 2024

Testimony of Rep. Allison Hepler in support of
LD 2027, An Act to Clarify the Property Tax Exemption for Air Pollution
Before the Joint Committee on Taxation

Good afternoon, Sen. Grohoski, Rep. Perry and members of the Joint Standing Committee on Taxation. I am Allison Hepler and I represent the towns of Arrowsic, Georgetown, Phippsburg, West Bath and Woolwich. I am here today to speak in support of LD 2027, An Act to Clarify the Property Tax Exemption for Air Pollution.

Although I live in Woolwich, my home is less than two miles as the crow flies from the site of the now-closed Maine Yankee nuclear power plant. I have lived there for 30 years, long enough to have taken a tour of the plant before it closed in 1997. Since then the spent fuel rods have been stored on site, presumably until a permanent federal storage site is found. In a 1998 New York Times article, a local environmental educator predicted that the waste would still be here "long after 2050."

Disagreements between Maine Yankee and the Town of Wiscasset over property taxes have persisted ever since the plant closed. Wiscasset obviously suffered a huge financial loss in the first year of the plant's closure. The parties eventually negotiated a 20-year agreement over property taxes, but the spent fuel rods continue to sit there, in close proximity to a sizeable population, including my neighbors in Woolwich.

I understand that this latest battle between the Town and Maine Yankee comes after the expiration of their long-term agreement and their inability to reach a new one, coupled with a new assessment of properties in Wiscasset.

I am grateful for what has been safe storage of those rods over the ensuing years, but I was puzzled by Maine Yankee's recent decision to apply the current statute that states that these storage units for radioactive fuel rods are primarily for air pollution and are therefore not subject to the municipal property tax. This statute seems to have been developed as a way of keeping current manufacturing and industrial facilities in business.

First, since Maine Yankee is no longer operating, this statute should not apply.

Furthermore, LD 2027 would make clear that facilities that store containers of nuclear waste are not "air pollution control facilities." While they may serve to prevent radioactive materials from escaping into the environment, their primary purpose was, as was made clear when the plant closed, to store these rods "temporarily." Maine Yankee should not be receiving this property tax exemption. Wiscasset taxpayers should not bear the brunt of this ruling.

Thanks for your careful consideration of this matter. I'm happy to answer questions if I can, although I imagine that others may be better able to discuss the ramifications of this issue. I am mostly speaking as a neighbor.